



SHIRE OF BRIDGETOWN-GREENBUSHES

BUDGET

FOR THE YEAR ENDED 30 JUNE 2018

TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Statement of Comprehensive Income by Program	3
Statement of Cash Flows	4
Rate Setting Statement	5
Notes to and Forming Part of the Budget	6 to 34

SHIRE OF BRIDGETOWN-GREENBUSHES
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue				
Rates	8	4,370,822	4,151,674	4,130,711
Operating grants, subsidies and contributions	16	1,625,103	3,445,056	2,597,817
Fees and charges	15	1,631,538	1,562,312	1,650,736
Interest earnings	2(a)	177,363	180,660	168,675
Other revenue	2(a)	156,345	195,848	136,164
		<u>7,961,171</u>	<u>9,535,550</u>	<u>8,684,103</u>
Expenses				
Employee costs		(4,503,196)	(4,231,715)	(4,334,333)
Materials and contracts		(2,682,472)	(1,877,098)	(2,472,165)
Utility charges		(258,911)	(252,376)	(216,467)
Depreciation on non-current assets	2(a)	(3,536,445)	(3,799,713)	(3,746,456)
Interest expenses	2(a)	(84,384)	(94,735)	(94,868)
Insurance expenses		(242,333)	(240,482)	(236,682)
Other expenditure		(311,269)	(310,126)	(306,252)
		<u>(11,619,010)</u>	<u>(10,806,245)</u>	<u>(11,407,223)</u>
		(3,657,839)	(1,270,695)	(2,723,120)
Non-operating grants, subsidies and contributions	16	1,833,005	3,134,756	3,096,482
Profit on asset disposals	6	15,769	1,818	0
Loss on asset disposals	6	(66,478)	(2,654)	(16,071)
Net result		(1,875,543)	1,863,225	357,291
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income		<u>(1,875,543)</u>	<u>1,863,225</u>	<u>357,291</u>

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF BRIDGETOWN-GREENBUSHES
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue (refer notes 1,2,8,10 to 16)				
Governance		810	1,058	329
General purpose funding		5,489,715	7,234,965	6,221,490
Law, order, public safety		275,088	316,301	251,008
Health		20,500	19,850	19,500
Education and welfare		18,509	10,728	8,509
Housing		10,665	8,451	12,150
Community amenities		994,189	990,510	979,509
Recreation and culture		726,533	368,233	700,377
Transport		108,822	182,596	169,950
Economic services		126,923	168,147	143,850
Other property and services		189,417	234,711	177,431
		<u>7,961,171</u>	<u>9,535,550</u>	<u>8,684,103</u>
Expenses excluding finance costs (refer notes 1, 2 & 17)				
Governance		(961,377)	(926,273)	(941,705)
General purpose funding		(117,095)	(117,001)	(119,128)
Law, order, public safety		(736,965)	(709,769)	(721,106)
Health		(83,010)	(61,428)	(90,083)
Education and welfare		(210,846)	(204,128)	(206,155)
Housing		(40,524)	(30,933)	(33,643)
Community amenities		(1,652,079)	(1,569,569)	(1,557,174)
Recreation and culture		(3,084,623)	(2,710,900)	(3,033,605)
Transport		(3,902,251)	(3,619,541)	(3,834,324)
Economic services		(573,786)	(605,032)	(594,566)
Other property and services		(172,070)	(156,936)	(180,866)
		<u>(11,534,626)</u>	<u>(10,711,510)</u>	<u>(11,312,355)</u>
Finance costs (refer notes 2 & 7)				
General purpose funding		(100)	0	(100)
Community amenities		(13,571)	(17,287)	(17,303)
Recreation and culture		(70,713)	(76,621)	(76,638)
Economic services		0	(827)	(827)
		<u>(84,384)</u>	<u>(94,735)</u>	<u>(94,868)</u>
		<u>(3,657,839)</u>	<u>(1,270,695)</u>	<u>(2,723,120)</u>
Non-operating grants, subsidies and contributions	16	1,833,005	3,134,756	3,096,482
Profit on disposal of assets	6	15,769	1,818	0
(Loss) on disposal of assets	6	(66,478)	(2,654)	(16,071)
		<u>1,782,296</u>	<u>3,133,920</u>	<u>3,080,411</u>
Net result		(1,875,543)	1,863,225	357,291
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		<u>(1,875,543)</u>	<u>1,863,225</u>	<u>357,291</u>

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF BRIDGETOWN-GREENBUSHES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		4,373,464	4,144,857	4,128,711
Operating grants, subsidies and contributions		1,651,703	3,443,238	2,603,417
Fees and charges		1,634,538	1,567,812	1,654,736
Interest earnings		177,363	179,936	166,700
Goods and services tax		350,400	113,772	323,400
Other revenue		156,345	195,848	138,139
		<u>8,343,813</u>	<u>9,645,463</u>	<u>9,015,103</u>
Payments				
Employee costs		(4,478,196)	(4,244,624)	(4,294,333)
Materials and contracts		(3,082,876)	(1,269,886)	(2,577,769)
Utility charges		(258,211)	(254,376)	(215,967)
Interest expenses		(84,384)	(94,769)	(94,868)
Insurance expenses		(242,333)	(240,482)	(236,682)
Goods and services tax		(346,000)	(157,470)	(313,600)
Other expenditure		(311,269)	(310,126)	(306,252)
		<u>(8,803,269)</u>	<u>(6,571,733)</u>	<u>(8,039,471)</u>
Net cash provided by (used in) operating activities	3(b)	<u>(459,456)</u>	<u>3,073,730</u>	<u>975,632</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5	(2,271,652)	(1,050,899)	(1,782,616)
Payments for construction of infrastructure	5	(2,011,341)	(2,689,750)	(3,115,582)
Non-operating grants, subsidies and contributions used for the development of assets		1,833,005	3,134,756	3,096,482
Proceeds from sale of plant & equipment	6	330,000	66,818	113,500
Net cash provided by (used in) investing activities		<u>(2,119,988)</u>	<u>(539,075)</u>	<u>(1,688,216)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7	(248,492)	(282,952)	(282,954)
Proceeds from self supporting loans		10,685	10,297	10,297
Proceeds from new borrowings	7	120,000	0	0
Net cash provided by (used in) financing activities		<u>(117,807)</u>	<u>(272,655)</u>	<u>(272,657)</u>
Net increase (decrease) in cash held		(2,697,251)	2,262,000	(985,241)
Cash at beginning of year		<u>6,524,064</u>	<u>4,262,064</u>	<u>4,261,989</u>
Cash and cash equivalents at the end of the year	3(a)	<u><u>3,826,813</u></u>	<u><u>6,524,064</u></u>	<u><u>3,276,748</u></u>

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF BRIDGETOWN-GREENBUSHES
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Net current assets at start of financial year - surplus/(deficit)	4	1,745,997	625,995	610,113
		<u>1,745,997</u>	<u>625,995</u>	<u>610,113</u>
Revenue from operating activities (excluding rates)				
Governance		2,992	1,058	329
General purpose funding		1,118,793	3,083,191	2,090,679
Law, order, public safety		284,588	316,301	251,008
Health		20,500	19,850	19,500
Education and welfare		18,509	10,728	8,509
Housing		10,665	8,451	12,150
Community amenities		996,924	992,328	979,509
Recreation and culture		726,533	368,233	700,377
Transport		110,174	182,596	169,950
Economic services		126,923	168,147	143,850
Other property and services		189,417	234,711	177,431
		<u>3,606,018</u>	<u>5,385,594</u>	<u>4,553,292</u>
Expenditure from operating activities				
Governance		(962,084)	(926,273)	(945,850)
General purpose funding		(117,195)	(117,001)	(119,228)
Law, order, public safety		(788,961)	(709,769)	(721,106)
Health		(83,010)	(61,428)	(90,083)
Education and welfare		(210,846)	(204,128)	(206,155)
Housing		(40,524)	(30,933)	(33,643)
Community amenities		(1,668,925)	(1,589,077)	(1,575,277)
Recreation and culture		(3,155,336)	(2,787,954)	(3,110,243)
Transport		(3,912,751)	(3,619,541)	(3,842,133)
Economic services		(573,786)	(605,859)	(598,710)
Other property and services		(172,070)	(156,936)	(180,866)
		<u>(11,685,488)</u>	<u>(10,808,899)</u>	<u>(11,423,294)</u>
Operating activities excluded from budget				
(Profit) on asset disposals	6	(15,769)	(1,818)	0
Loss on disposal of assets	6	66,478	2,654	16,071
Depreciation on assets	2(a)	3,536,445	3,799,713	3,746,456
Movement in deferred rates (non-current)		0	(14,075)	0
Movement in employee benefit provisions (non-current)		0	(10,446)	0
Amount attributable to operating activities		<u>(2,746,319)</u>	<u>(1,021,282)</u>	<u>(2,497,362)</u>
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	16	1,833,005	3,134,756	3,096,482
Purchase property, plant and equipment	5	(2,271,652)	(1,050,899)	(1,782,616)
Purchase and construction of infrastructure	5	(2,011,341)	(2,689,750)	(3,115,582)
Proceeds from disposal of assets	6	330,000	66,818	113,500
Amount attributable to investing activities		<u>(2,119,988)</u>	<u>(539,075)</u>	<u>(1,688,216)</u>
FINANCING ACTIVITIES				
Repayment of borrowings	7	(248,492)	(282,952)	(282,954)
Proceeds from new borrowings	7	120,000	0	0
Proceeds from self supporting loans		10,685	10,297	10,297
Transfers to cash backed reserves (restricted assets)	9	(422,167)	(1,142,976)	(459,694)
Transfers from cash backed reserves (restricted assets)	9	1,035,359	570,211	787,118
Amount attributable to financing activities		<u>495,385</u>	<u>(845,420)</u>	<u>54,767</u>
Budgeted deficiency before general rates		<u>(4,370,922)</u>	<u>(2,405,777)</u>	<u>(4,130,811)</u>
Estimated amount to be raised from general rates	8	<u>4,370,922</u>	<u>4,151,774</u>	<u>4,130,811</u>
Net current assets at end of financial year - surplus/(deficit)	4	<u>0</u>	<u>1,745,997</u>	<u>0</u>

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this budget are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates

The preparation of a budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The local government reporting entity

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this budget.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 18 to the budget.

(b) 2016/17 actual balances

Balances shown in this budget as 2016/17 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

(c) Rounding off figures

All figures shown in this budget, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current budget year.

(e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

(f) Forecast fair value adjustments

All fair value adjustments relating to remeasurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time of budget adoption.

Fair value adjustments relating to the re-measurement of financial assets at fair value through profit or loss will be assessed at the time they occur with compensating budget amendments made as necessary.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Forecast fair value adjustments (continued)

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such, have no impact on this budget document.

(g) Rates, grants, donations and other contributions

Rates, grants, donations and other contributions are recognised as revenues when the Shire obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(i) Superannuation

The Shire of Bridgetown-Greenbushes contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Bridgetown-Greenbushes contributes are defined contribution plans.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 4 - Net Current Assets.

(k) Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(l) Inventories

General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Inventories (continued)

Land held for resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(m) Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the *Local Government (Financial Management)* Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Shire commenced the process of adopting fair value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at fair value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire of Bridgetown-Greenbushes revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire of Bridgetown-Greenbushes includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation on the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Land under roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (*Financial Management*) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (*Financial Management*) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (*Financial Management*) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (*Financial Management*) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire.

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

Major depreciation periods used for each class of depreciable asset are:

Buildings

Buildings - Long Life 81 to 120 years

Buildings - Medium Life 61 to 80 years

Buildings - Short Life 30 to 50 years

Furniture and equipment 4 to 15 years

Plant and equipment 3 to 25 years

Roads

Sealed roads and streets
formation not depreciated

pavement 60 years

seal

- bituminous seals 20 years

- asphalt surfaces 25 years

Gravel roads

formation not depreciated

pavement 60 years

Formed roads (unsealed)

formation not depreciated

pavement 60 years

Kerb barriers 50 years

Road signage 15 years

Footpaths

- cement concrete 50 years

- asphalt and bituminous seals 40 years

Drainage 80 years

Parks and ovals 10 to 50 years

Bridges

Road Bridges 80 years

Pedestrian Bridges 50 years

Other Infrastructure

Car Parks

formation not depreciated

pavement 60 years

seal 25 years

Street furniture 15 years

Bus Shelters 15 years

Reservoirs and dams 50 years

Swimming pool and associated infrastructure 50 years

All Other Infrastructure 30 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities

When performing a revaluation, the Shire of Bridgetown-Greenbushes uses a mix of both independent and management valuations using the following as a guide:

Fair value is the price that the Shire of Bridgetown-Greenbushes would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire of Bridgetown-Greenbushes selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire of Bridgetown-Greenbushes are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities (continued)

Valuation techniques (continued)

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire of Bridgetown-Greenbushes gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The mandatory measurement framework imposed by the Local Government (*Financial Management*) Regulations requires, as a minimum, all assets to be revalued at least every 3 years. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards have been made in the budget as necessary.

(o) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Shire of Bridgetown-Greenbushes becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire of Bridgetown-Greenbushes commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

Classification and subsequent measurement (continued)

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking. Assets in this category are classified as current assets. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Shire of Bridgetown-Greenbushes management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available for sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excl. financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss.

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

Impairment (continued)

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Shire of Bridgetown-Greenbushes no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(p) Impairment of assets

In accordance with Australian Accounting Standards the Shire of Bridgetown-Greenbushes' assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revaluation decrease in accordance with that other standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2018.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(q) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire of Bridgetown-Greenbushes becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits

Short-term employee benefits

Provision is made for the Shire of Bridgetown-Greenbushes' obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire of Bridgetown-Greenbushes' obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Shire of Bridgetown-Greenbushes' obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire of Bridgetown-Greenbushes' obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire of Bridgetown-Greenbushes does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(s) Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(t) Provisions

Provisions are recognised when the Shire of Bridgetown-Greenbushes has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(u) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire of Bridgetown-Greenbushes, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Leases (continued)

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(v) Investment in associates

An associate is an entity over which the Shire of Bridgetown-Greenbushes has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire of Bridgetown-Greenbushes' share of net assets of the associate. In addition, the Shire of Bridgetown-Greenbushes' share of the profit or loss of the associate is included in the Shire of Bridgetown-Greenbushes' profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire of Bridgetown-Greenbushes' share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Shire of Bridgetown-Greenbushes and the associate are eliminated to the extent of the Shire of Bridgetown-Greenbushes' interest in the associate.

When the Shire of Bridgetown-Greenbushes' share of losses in an associate equals or exceeds its interest in the associate, the Shire of Bridgetown-Greenbushes discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire of Bridgetown-Greenbushes will resume recognising its share of these profits once its share of the profits equals the share of the losses not recognised.

(w) Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire of Bridgetown-Greenbushes' interests, in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 21.

(x) Current and non-current classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire of Bridgetown-Greenbushes' operational cycle. In the case of liabilities where the Shire of Bridgetown-Greenbushes does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Shire of Bridgetown-Greenbushes' intentions to release for sale.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
2. REVENUES AND EXPENSES			
(a) Net result			
The net result includes:			
(i) Charging as an expense:			
Auditors remuneration			
Audit services	15,800	14,850	15,500
Other services	5,000	0	5,500
Depreciation by program			
Governance	1,904	1,904	2,205
Law, order, public safety	138,914	160,852	168,593
Education and welfare	14,715	14,500	14,500
Housing	24,676	22,001	21,710
Community amenities	141,670	162,157	145,021
Recreation and culture	513,037	759,053	714,317
Transport	2,377,012	2,360,948	2,367,439
Economic services	19,076	27,139	27,085
Other property and services	305,441	291,159	285,586
	<u>3,536,445</u>	<u>3,799,713</u>	<u>3,746,456</u>
Depreciation by asset class			
Land and buildings	364,567	675,125	653,335
Furniture and equipment	35,344	37,698	35,042
Plant and equipment	383,879	375,695	387,121
Roads	2,140,868	2,127,210	2,128,991
Footpaths	75,950	75,646	75,811
Drainage	90,614	90,512	89,788
Parks and ovals	183,285	173,971	163,578
Bridges	125,430	109,289	109,673
Other Infrastructure	136,508	134,567	103,117
	<u>3,536,445</u>	<u>3,799,713</u>	<u>3,746,456</u>
Interest expenses (finance costs)			
- Borrowings (<i>refer note 7(a)</i>)	84,284	93,908	93,941
- Finance lease charges (<i>refer note 7(b)</i>)	0	827	827
Other	100	0	100
	<u>84,384</u>	<u>94,735</u>	<u>94,868</u>
(ii) Crediting as revenues:			
Interest earnings			
Investments			
- Reserve funds	64,400	59,751	52,500
- Other funds	69,000	76,981	73,500
Self Supporting Loans	1,588	1,975	1,975
Other interest revenue (<i>refer note 13</i>)	42,375	41,953	40,700
	<u>177,363</u>	<u>180,660</u>	<u>168,675</u>
(iii) Other revenue			
Reimbursements and recoveries	101,992	155,330	98,014
Other	54,353	40,518	38,150
	<u>156,345</u>	<u>195,848</u>	<u>136,164</u>

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of objective

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

COMMUNITY VISION

'A beautiful place to live'

Working together with the community to achieve our shared objectives

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GOVERNANCE

Objective:

To provide a decision making process for the efficient allocation of scarce resources.

Activities:

Administration and operation of facilities and services to members of the council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services. Development of policies, strategic planning and long term financial plans.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to help ensure a safer community.

Activities:

Supervision of various by-laws, fire prevention, emergency services and animal control.

HEALTH

Objective:

To provide an operational framework for good community health.

Activities:

Food quality, pest control, and support the operation of child health clinics.

EDUCATION AND WELFARE

Objective:

To support disadvantaged persons, the elderly, children and youth.

Activities:

Support with the provision of day care and pre-school facilities; assistance to playgroups, retirement villages, services for senior citizens and youth, and other voluntary services.

HOUSING

Objective:

Help ensure adequate housing.

Activities:

Maintenance of staff and rental housing.

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of objective (continued)

COMMUNITY AMENITIES

Objective:

Provide services required by the community.

Activities:

Rubbish collection services, operation of refuse sites, environmental protection, administration of the town planning scheme, development of land, maintenance of cemeteries, maintenance and operation of public conveniences and storm water drainage maintenance.

RECREATION AND CULTURE

Objective:

To establish and manage efficiently infrastructure and resources which will help the social well being of the community.

Activities:

Maintenance of halls, the leisure centre and various reserves; operation of library, heritage facilities and cultural activities.

TRANSPORT

Objective:

To provide effective and efficient transport services to the community.

Activities:

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and parking control.

ECONOMIC SERVICES

Objective:

To help promote the Shire and improve its economic wellbeing.

Activities:

The regulation and provision of tourism, area promotion, economic development, building control, (agricultural) noxious weeds management and water standpipes.

OTHER PROPERTY & SERVICES

Activities:

Private works, plant repairs and operation costs, business units activities and directorate costs.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

3. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Cash - unrestricted	1,087,828	3,171,887	824,760
Cash - restricted	2,738,985	3,352,177	2,451,988
	<u>3,826,813</u>	<u>6,524,064</u>	<u>3,276,748</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Leave Reserve	176,143	171,985	171,293
Plant Reserve	99,729	210,636	193,526
Land & Building Reserve	596,863	688,894	622,685
Bush Fire Reserve	484	473	780
Maranup Ford Road Maintenance Reserve	100,970	98,586	98,190
Subdivision Reserve	357,412	339,210	331,270
Sanitation Reserve	44,382	58,762	63,364
Recreation Centre Floor Reserve	174,351	170,235	169,550
MGB Reserve	73,816	72,073	71,783
Refuse Site Post Closure Reserve	206,988	197,219	196,422
Drainage Reserve	3,717	3,629	3,615
Community Bus Replacement Reserve	50,934	87,161	86,809
SBS Tower Replacement Reserve	30,549	29,828	29,708
Playground Equipment Reserve	23,525	20,431	17,296
Swimming Pool Reserve	4,283	4,182	4,166
Car Park Reserve	917	895	892
ROMANS Reserve	4,566	4,458	4,440
Building Maintenance Reserve	148,063	160,557	56,272
Strategic Projects Reserve	66,163	45,073	32,907
Matched Grants Reserve	30,351	19,871	18,151
Aged Care Infrastructure Reserve	54,179	52,900	52,687
Equipment Reserve	5,865	6,508	6,480
Assets & GRV Valuation Reserve	74,935	66,168	64,438
Bridgetown Leisure Centre Reserve	58,305	133,635	130,548
Trails Reserve	20,585	20,099	20,000
Light Fleet Vehicle Reserve	19,500	0	0
Unspent Grants & Loans	311,410	688,709	4,716
	<u>2,738,985</u>	<u>3,352,177</u>	<u>2,451,988</u>

(b) Reconciliation of net cash provided by operating activities to net result

Net result	(1,875,543)	1,863,225	357,291
Depreciation	3,536,445	3,799,713	3,746,456
(Profit)/loss on sale of asset	50,709	836	16,071
(Increase)/decrease in receivables	32,642	(42,557)	8,000
(Increase)/decrease in inventories	(2,000)	(5,139)	(2,000)
Increase/(decrease) in payables	(378,704)	601,077	(63,704)
Increase/(decrease) in employee provisions	10,000	(8,669)	10,000
Grants/contributions for the development of assets	(1,833,005)	(3,134,756)	(3,096,482)
Net cash from operating activities	<u>(459,456)</u>	<u>3,073,730</u>	<u>975,632</u>

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

3. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
(c) Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	200,000	200,000	200,000
Bank overdraft at balance date	0	0	0
Credit card limit	5,000	5,000	5,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	<u>205,000</u>	<u>205,000</u>	<u>205,000</u>
Loan facilities			
Loan facilities in use at balance date	<u>2,140,181</u>	<u>2,268,673</u>	<u>2,437,297</u>
Unused loan facilities at balance date	<u>0</u>	<u>0</u>	<u>0</u>

	Note	2017/18 Budget \$	2016/17 Actual \$
4. NET CURRENT ASSETS			

Composition of estimated net current assets

Current assets

Cash - unrestricted	3(a)	1,087,828	3,171,887
Cash - restricted reserves	3(a)	2,738,985	3,352,177
Receivables		294,504	337,831
Inventories		21,481	19,481
		<u>4,142,798</u>	<u>6,881,376</u>

Less: current liabilities

Trade and other payables		(678,752)	(1,057,456)
Long term borrowings		0	(248,492)
Provisions		(897,046)	(887,046)
		<u>(1,575,798)</u>	<u>(2,192,994)</u>

Unadjusted net current assets **2,567,000** **4,688,382**

Differences between the net current assets at the end of each financial year in the rate setting statement and net current assets detailed above arise from amounts which have been excluded when calculating the budget deficiency in accordance with Local Government (*Financial Management*) Regulation 32 as movements for these items have been funded within the budget estimates.

These differences are disclosed as adjustments below.

Adjustments

Less: Cash - restricted reserves	3(a)	(2,738,985)	(3,352,177)
Less: Current loans - clubs / institutions		0	(10,685)
Add: Current portion of borrowings		0	248,492
Add: Current liabilities not expected to be cleared at end of year		171,985	171,985
Adjusted net current assets - surplus/(deficit)		<u><u>0</u></u>	<u><u>1,745,997</u></u>

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

5. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year.

Asset class	Reporting program									2017/18 Budget total \$	2016/17 Actual total \$
	Governance \$	Law, order, public safety \$	Education and welfare \$	Housing \$	Community amenities \$	Recreation and culture \$	Transport \$	Economic services \$	Other property and services \$		
Property, Plant and Equipment											
Land and buildings	126,850	32,731	3,000	23,750	42,000	409,951	14,000	2,000	141,355	795,637	278,348
Furniture and equipment	27,000	6,000	8,990				2,000			43,990	10,721
Plant and equipment	36,000	559,900			192,000	89,125	555,000			1,432,025	761,830
	189,850	598,631	11,990	23,750	234,000	499,076	571,000	2,000	141,355	2,271,652	1,050,899
Infrastructure											
Roads							938,738			938,738	1,287,595
Footpaths							84,010			84,010	12,990
Drainage					195,367					195,367	8,147
Parks and ovals						167,425		25,000		192,425	12,489
Bridges						30,000	426,000			456,000	1,277,271
Other Infrastructure					135,801	9,000				144,801	91,258
	0	0	0	0	331,168	206,425	1,448,748	25,000	0	2,011,341	2,689,750
Total acquisitions	189,850	598,631	11,990	23,750	565,168	705,501	2,019,748	27,000	141,355	4,282,993	3,740,649

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this budget document.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

6. DISPOSALS OF ASSETS

The following assets are budgeted to be disposed of during the year.

By Program	2017/18 Budget				2016/17 Actual		2016/17 Budget	
	Net book value \$	Sale proceeds \$	Profit \$	Loss \$	Profit \$	Loss \$	Profit \$	Loss \$
Governance	20,525	22,000	2,182	(707)	0	0	0	(4,145)
Law, order, public safety	165,996	123,500	9,500	(51,996)	0	0	0	0
Community amenities	38,540	38,000	2,735	(3,275)	1,818	(2,221)	0	(800)
Recreation and culture	24,500	24,500	0	0	0	(433)	0	0
Transport	131,148	122,000	1,352	(10,500)	0	0	0	(7,809)
Economic services	0	0	0	0	0	0	0	(3,317)
	380,709	330,000	15,769	(66,478)	1,818	(2,654)	0	(16,071)

By Class	2017/18 Budget				2016/17 Actual		2016/17 Budget	
	Net book value \$	Sale proceeds \$	Profit \$	Loss \$	Profit \$	Loss \$	Profit \$	Loss \$
Plant and equipment	380,709	330,000	15,769	(66,478)	1,818	(2,654)	0	(16,071)
	380,709	330,000	15,769	(66,478)	1,818	(2,654)	0	(16,071)

A detailed breakdown of asset disposals on an individual asset basis can be found in the supplementary information attached to this budget document.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

7. INFORMATION ON BORROWINGS

(a) Debenture repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Principal 1-Jul-17 \$	New loans \$	Principal repayments		Principal outstanding		Interest repayments	
			2017/18 Budget \$	2016/17 Actual \$	2017/18 Budget \$	2016/17 Actual \$	2017/18 Budget \$	2016/17 Actual \$
Community amenities								
Loan 107A Transfer Station	0		0	12,913	0	0		363
Loan 107B Transfer Station	9,486		9,486	9,184	0	9,486	233	533
Loan 108 Landfill Plant	118,448		21,794	20,920	96,654	118,448	4,669	5,538
Loan 113 Landfill Site New Cell	404,482		97,708	95,518	306,774	404,482	8,669	10,853
Loan 114 Liquid Waste and Inert Waste Sites	0	120,000	0	0	120,000	0	0	0
Recreation and culture								
Loan 105 Memorial Park Improvements	54,304		26,317	24,746	27,987	54,304	2,989	4,556
Loan 106 Somme Creek Parkland	42,952		20,815	19,573	22,137	42,952	2,364	3,603
Loan 109 Sports Ground Dam	0		0	10,760	0	0		303
Loan 112 Bridgetown Swimming Pool	1,593,786		61,687	59,269	1,532,099	1,593,786	63,772	66,185
	2,223,458	120,000	237,807	252,883	2,105,651	2,223,458	82,696	91,934
Self Supporting Loans								
Recreation and culture								
Loan 110 Bridgetown Bowling Club	45,215		10,685	10,297	34,530	45,215	1,588	1,974
	45,215	0	10,685	10,297	34,530	45,215	1,588	1,974
	2,268,673	120,000	248,492	263,180	2,140,181	2,268,673	84,284	93,908

Debenture repayments are to be financed by general purpose revenue with the exception of the following:

- Loan 107A, 107B, 108 and 113 are funded by the Landfill Site Maintenance Rate
- Loan 110 funded directly by the Bridgetown Bowling Club

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

7. INFORMATION ON BORROWINGS (Continued)

(b) Finance lease repayments

Purpose			Principal repayments		Principal outstanding		Interest repayments	
	Principal 1-Jul-17	New loans	2017/18 Budget	2016/17 Actual	2017/18 Budget	2016/17 Actual	2017/18 Budget	2016/17 Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Economic services								
Holden Colorado Vehicle	0	0	0	19,772	0	0	0	827
	0	0	0	19,772	0	0	0	827

(c) New borrowings - 2017/18

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate %	Amount borrowed budget \$	Total interest & charges \$	Amount used budget \$	Balance unspent \$
Loan 114 Liquid Waste and Inert Waste Sites	WATC	Debenture	5	2.5	120,000	9,244	120,000	0
					120,000	9,244	120,000	0

(d) Unspent borrowings

The Shire of Bridgetown-Greenbushes had no unspent debenture funds as at 30th June 2017 nor is it expected to have unspent debenture funds as at 30th June 2018.

(e) Overdraft

In 2000 Council established an overdraft facility of \$200,000 to assist with short term liquidity requirements. Council did not utilise this overdraft facility during the 2016/17 financial year and it is not anticipated that this facility will be required to be utilised during 2017/18.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	2017/18 Budgeted rate revenue \$	2017/18 Budgeted interim rates \$	2017/18 Budgeted back rates \$	2017/18 Budgeted total revenue \$	2016/17 Actual \$
Differential general rate or general rate								
GRV - Shire	0.087341	1,645	25,096,812	2,191,981	9,000	1,000	2,201,981	2,050,123
UV - Shire Rural	0.006001	485	183,089,000	1,098,717			1,098,717	1,042,853
UV - Urban Farmland	0.005101	3	2,200,000	11,222			11,222	11,372
UV - Mining	0.078436	15	929,834	72,933			72,933	68,394
Sub-Totals		2,148	211,315,646	3,374,853	9,000	1,000	3,384,853	3,172,742
Minimum payment	Minimum \$							
GRV - Shire	867.00	829	4,138,195	718,743			718,743	723,901
UV - Shire Rural	1074.00	239	31,310,900	256,686			256,686	245,230
UV - Urban Farmland	1074.00	0	0	0			0	0
UV - Mining	760.00	14	28,247	10,640			10,640	8,851
Sub-Totals		1,082	35,477,342	986,069	0	0	986,069	977,982
		3,230	246,792,988	4,360,922	9,000	1,000	4,370,922	4,150,724
Add increase in pre-payments							0	1,050
Total amount raised from general rates							4,370,922	4,151,774
Less rates written off							(100)	(100)
Total rates							4,370,822	4,151,674

All land except exempt land in the Shire of Bridgetown-Greenbushes is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2017/18 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION (Continued)

Objectives and reasons for differential rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential General Rates

Gross Rental Value (GRV)

The Local Government Act 1995 determines that properties of a non-rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Shire of Bridgetown-Greenbushes applies one general GRV rate in the dollar to all such properties. The rate in the dollar applied ensures this rating category will pay a particular percentage of the overall rate yield to reflect the level of services provided.

Unimproved Value (UV)

The Local Government Act 1995 indicates that where the land is used predominantly for rural or for mining purposes, the unimproved value of the land will be used as the basis for the rates. Unimproved value (UV) means the capital amount that an estate of fee simple in the land might reasonably be expected to realise upon sale, assuming that any improvements to the land had not been made. Unimproved values are supplied and updated by the Valuer General on an annual basis. Council applies the following differential unimproved value rating categories:

Description	Characteristics	Objects	Reasons
Rural (UV)	Consists of properties that are exclusively for rural use.	This rate contributes to the service desired by the community.	This is considered the base rate by which all other UV rated properties are assessed.
Urban Farmland (UV)	Land within the Bridgetown townsite area that is used primarily for 'rural' purposes.	To provide equity in rating for rural properties within the townsite compared to rural properties outside of the townsite.	The lower Urban Farmland differential rate is in recognition of the higher values applied to properties within the townsite as opposed to land outside of the townsite and reflects the lower cost associated with supplying services to rural properties within the townsite.
Mining (UV)	Consists of mining and exploration tenements located in the district.	The objective is to raise additional revenue to contribute toward higher costs associated with mining activity.	The higher rate applied to this category reflects the Shire's experience that mining activities associated with these tenements impact as follows: <ul style="list-style-type: none"> • there is substantially greater burden on the Shire's internal road network caused by heavy haulage mining vehicles; • disturbance to the landscape on and adjacent to tenements requires Shire oversight and input with noxious weed mitigation and management; and • administration and oversight of the application and approvals process for new tenement areas noting that these applications do not attract a fee to the Shire.

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION (Continued)

Differential minimum payment

Description	Characteristics	Objects	Reasons
Mining (UV)	Consists of mining and exploration tenements located in the district.	To ensure compliance with relevant rating provisions of the Local Government Act 1995	A reduced minimum rate of \$760.00 will apply to Mining Unimproved Value properties to ensure not more than 50% of properties within this category are on the minimum rate as required by Section 6.35 of the Local Government Act 1995.

Adopted rates compared to advertised rates

Council advertised its intention to levy the following differential rates and minimum payments in 2017/18:

Category	Rate in \$	Minimum Rate
Gross Rental Value (GRV) Properties	8.7341 cents	\$867.00
Rural Unimproved Value (UV) Properties	0.6001 cents	\$1,074.00
Urban Farmland Unimproved Value (UV)	0.5101 cents	\$1,074.00
Mining Unimproved Value (UV)	8.3004 cents	\$1,074.00

The following rates and minimum payments have been adopted for the 2017/18 rating year:

Category	Rate in \$	Minimum Rate
Gross Rental Value (GRV) Properties	8.7341 cents	\$867.00
Rural Unimproved Value (UV) Properties	0.6001 cents	\$1,074.00
Urban Farmland Unimproved Value (UV)	0.5101 cents	\$1,074.00
Mining Unimproved Value (UV)	7.8436 cents	\$760.00

Council has adopted a different rate in the dollar and minimum payment for the Mining Unimproved Value category to that previously advertised due to the subsequent receipt of new valuations for these properties effective 1 July 2017.

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

9. CASH BACKED RESERVES

Reserve	2017/18 Budget				2016/17 Actual				2016/17 Budget			
	Opening balance \$	Transfer to \$	Transfer (from) \$	Closing balance \$	Opening balance \$	Transfer to \$	Transfer (from) \$	Closing balance \$	Opening balance \$	Transfer to \$	Transfer (from) \$	Closing balance \$
Leave Reserve	171,985	4,158	0	176,143	167,856	4,129	0	171,985	167,856	3,437	0	171,293
Plant Reserve	210,636	246,093	(357,000)	99,729	209,777	254,593	(253,734)	210,636	209,777	253,749	(270,000)	193,526
Land & Building Reserve	688,894	16,657	(108,688)	596,863	676,544	16,350	(4,000)	688,894	676,544	13,850	(67,709)	622,685
Bush Fire Reserve	473	11	0	484	19,383	90	(19,000)	473	19,383	397	(19,000)	780
Maranup Ford Road Maintenance Reserve	98,586	2,384	0	100,970	96,220	2,366	0	98,586	96,220	1,970	0	98,190
Subdivision Reserve	339,210	18,202	0	357,412	314,824	24,386	0	339,210	314,824	16,446	0	331,270
Sanitation Reserve	58,762	1,421	(15,801)	44,382	179,685	2,201	(123,124)	58,762	179,685	3,679	(120,000)	63,364
Recreation Centre Floor Reserve	170,235	4,116	0	174,351	166,148	4,087	0	170,235	166,148	3,402	0	169,550
MGB Reserve	72,073	1,743	0	73,816	70,343	1,730	0	72,073	70,343	1,440	0	71,783
Refuse Site Post Closure Reserve	197,219	9,769	0	206,988	187,581	9,638	0	197,219	187,581	8,841	0	196,422
Drainage Reserve	3,629	88	0	3,717	3,542	87	0	3,629	3,542	73	0	3,615
Community Bus Replacement Reserve	87,161	17,107	(53,334)	50,934	82,617	4,544	0	87,161	82,617	4,192	0	86,809
SBS Tower Replacement Reserve	29,828	721	0	30,549	29,112	716	0	29,828	29,112	596	0	29,708
Playground Equipment Reserve	20,431	3,094	0	23,525	14,793	5,638	0	20,431	14,793	2,503	0	17,296
Swimming Pool Reserve	4,182	101	0	4,283	4,082	100	0	4,182	4,082	84	0	4,166
Car Park Reserve	895	22	0	917	874	21	0	895	874	18	0	892
ROMANS Reserve	4,458	108	0	4,566	4,351	107	0	4,458	4,351	89	0	4,440
Building Maintenance Reserve	160,557	3,882	(16,376)	148,063	65,085	98,863	(3,391)	160,557	65,085	54,123	(62,936)	56,272
Strategic Projects Reserve	45,073	21,090	0	66,163	27,347	25,726	(8,000)	45,073	27,347	25,560	(20,000)	32,907
Matched Grants Reserve	19,871	10,480	0	30,351	20,615	5,506	(6,250)	19,871	20,615	5,422	(7,886)	18,151
Aged Care Infrastructure Reserve	52,900	1,279	0	54,179	51,630	1,270	0	52,900	51,630	1,057	0	52,687
Equipment Reserve	6,508	2,657	(3,300)	5,865	3,900	2,608	0	6,508	3,900	2,580	0	6,480
Assets & GRV Valuation Reserve	66,168	33,767	(25,000)	74,935	31,052	35,116	0	66,168	31,052	33,386	0	64,438
Bridgetown Leisure Centre Reserve	133,635	3,231	(78,561)	58,305	136,748	3,332	(6,445)	133,635	136,748	2,800	(9,000)	130,548
Trails Reserve	20,099	486	0	20,585	0	20,099	0	20,099	0	20,000	0	20,000
Light Fleet Vehicle Reserve	0	19,500	0	19,500	0	0	0	0	0	0	0	0
Unspent Grants & Loans	688,709	0	(377,299)	311,410	215,303	619,673	(146,267)	688,709	215,303	0	(210,587)	4,716
	3,352,177	422,167	(1,035,359)	2,738,985	2,779,412	1,142,976	(570,211)	3,352,177	2,779,412	459,694	(787,118)	2,451,988

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

9. CASH BACKED RESERVES (Continued)

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Purpose of the reserve
Leave Reserve	To be used to fund annual and long service leave requirements.
Plant Reserve	To be used for the purchase of major plant.
Land & Building Reserve	To be used for the future acquisition of land and buildings.
Bush Fire Reserve	To be used for the purchase of district fire fighting equipment, buildings and fire fighting plant.
Maranup Ford Road Maintenance Reserve	To be used to maintain the section of Maranup Ford Road between the old and new entrances to the Talison Mine.
Subdivision Reserve	To be used for the construction of sub-division feeder roads and road upgrades where it is a condition of planning or development approval.
Sanitation Reserve	To be used for the provision of waste management services and waste facilities.
Recreation Centre Floor Reserve	To be used to fund future timber floor replacement at the Bridgetown Recreation Centre.
MGB Reserve	To be used for the maintenance of the mobile garbage bin project.
Refuse Site Post Closure Reserve	To be used to rehabilitate the Shire's refuse sites.
Drainage Reserve	To be used for drainage upgrade works.
Community Bus Replacement Reserve	To be used to purchase a replacement community bus.
SBS Tower Replacement Reserve	To be used for replacement of the SBS tower.
Playground Equipment Reserve	To be used for replacement of playground equipment.
Swimming Pool Reserve	To be used for studies on the pool for life expectancy and upgrades required to enable its future usage.
Car Park Reserve	To hold contributions for funding car park construction.
ROMANS Reserve	To be used to fund the take-up of roads condition information into ROMANS.
Building Maintenance Reserve	To be used to fund capital improvements to council buildings and facilities.
Strategic Projects Reserve	To be used to fund strategic planning actions and other strategic initiatives as determined by the Council.
Matched Grants Reserve	To provide a funding mechanism for grants that require a matched funding component.
Aged Care Infrastructure Reserve	To contribute to the construction of non-council aged care buildings.
Equipment Reserve	To be used to fund the purchase of gym and exercise equipment.
Assets & GRV Valuation Reserve	To be used to fund future property and infrastructure revaluations.
Bridgetown Leisure Centre Reserve	To be used for the purpose of funding new initiatives at the Bridgetown Leisure Centre
Trails Reserve	To be used for funding of new local trail initiatives and projects.
Light Fleet Vehicle Reserve	To be used for the purchase of light fleet vehicles.
Unspent Grants & Loans	To be used for the recording of unspent grant and loan funds.

Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

10. SPECIFIED AREA RATE

No Specified Area Rates are proposed to be levied during the 2017/18 financial year.

11. SERVICE CHARGES

The Shire of Bridgetown-Greenbushes does not intend to impose a service charge under Section 6.32(c) of the Local Government Act 1995 during the budget period.

12. LANDFILL SITE MAINTENANCE RATE

Council, under Section 66 of the Waste Avoidance and Resource Recovery Act (WARR Act) will impose a Landfill Site Maintenance Rate on all rateable properties within the Shire for the purpose of funding all its waste services other than kerbside rubbish and recycling collection services. As detailed in Note 14 concessions are provided to owners of multiple properties in certain circumstances with regard to this rate.

WARR Act Rate	Basis of Valuation	Rate in \$	Rateable Value \$	2017/18 Budgeted Revenue \$	Budget Applied to Costs \$	2016/17 Actual Revenue \$
Minimum charge per assessment \$173.00	GRV	0.00018502	29,235,007	428,002	428,002	423,396
	UV	0.00005569	217,557,981	128,712	128,712	127,053
- Interim Rates				0	0	1,026
Concessions				556,714	556,714	551,475
				(17,300)	(17,300)	(15,390)
			246,792,988	539,414	539,414	536,085

13. INTEREST CHARGES AND INSTALMENTS - RATES

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge \$	Instalment plan interest rate %	Unpaid rates interest rates %
Option one				
Single full payment	29/09/2017	0.00	0%	11%
Option two				
First instalment	29/09/2017	0.00	5.5%	11%
Second instalment	29/11/2017	8.45	5.5%	11%
Third instalment	29/01/2018	8.45	5.5%	11%
Fourth instalment	29/03/2018	8.45	5.5%	11%

	2017/18 Budget revenue \$	2016/17 Actual \$
Instalment plan admin charge revenue		
Instalment plan admin charge revenue	20,500	27,995
Instalment plan interest earned	14,200	14,177
Unpaid rates interest earned	28,175	27,776
	62,875	69,948

**SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

14. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS

Rates discounts

While Council does not provide a discount for early payment of rates, it does offer prizes for the early payment of rates in full by the due date of 29 September 2017. The value of prizes for the 2017/18 year is \$1,304. Prizes to be offered are as follows:

1st Prize - \$600 Community Cash Vouchers (Provided by the Shire of Bridgetown-Greenbushes)

2nd Prize - Weekend stay at Quality Hotel Ambassador Perth including breakfast (Donated by Quality Hotel Ambassador Perth)

3rd Prize - 1 Double pass to Asher Fisch Conducts Schumann Concert (Donated by WASO)

4th Prize - 1 Double pass to Asher Fisch Conducts Schumann Concert (Donated by WASO)

Waivers or concessions

Concessions will be granted as follows in relation to the Landfill Site Maintenance Rate to recognise that owners of multiple vacant properties would generate less landfill requirements than if the land was developed:

"Where more than one assessment is held in identical name or names, no more than one charge will apply, except in the following situations:

- (i) A habitable dwelling house or commercial rented premises is situated on the additional property; or
- (ii) The additional properties are separated by more than 10 kilometres as measured cadastrally on an appropriate map."

The estimated value of these concessions is as follows:

Concessions	2017/18 Budget \$	2016/17 Actual \$
WARR Act Rate	17,300	15,390
	17,300	15,390

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

	2017/18 Budget \$	2016/17 Actual \$
15. FEES & CHARGES REVENUE		
Governance	310	251
General purpose funding	51,000	57,652
Law, order, public safety	45,050	46,058
Health	20,500	19,850
Education and welfare	9	9
Housing	9,600	7,200
Community amenities	994,189	990,383
Recreation and culture	306,847	242,116
Transport	7,810	8,667
Economic services	123,323	121,703
Other property and services	72,900	68,423
	<u>1,631,538</u>	<u>1,562,312</u>

16. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Program:

Operating grants, subsidies and contributions

General purpose funding	882,118	2,838,590
Law, order, public safety	228,038	268,743
Education and welfare	18,000	10,000
Recreation and culture	406,135	108,675
Transport	90,812	157,369
Economic services	0	41,679
Other property and services	0	20,000
	<u>1,625,103</u>	<u>3,445,056</u>

Non-operating grants, subsidies and contributions

Law, order, public safety	428,631	311,098
Community amenities	106,666	11,364
Recreation and culture	97,610	142,773
Transport	1,200,098	2,669,521
	<u>1,833,005</u>	<u>3,134,756</u>

17. ELECTED MEMBERS REMUNERATION

The following fees, expenses and allowances are to be paid to council members and/or the President.

Meeting fees	78,200	78,200
President's allowance	8,500	8,500
Deputy President's allowance	2,125	2,125
Telecommunications allowance	18,540	18,540
Travelling expenses	2,000	0
	<u>109,365</u>	<u>107,365</u>

SHIRE OF BRIDGETOWN-GREENBUSHES
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

18. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

Detail	Balance 1-Jul-17 \$	Estimated amounts received \$	Estimated amounts paid (\$)	Estimated balance 30-Jun-18 \$
BCITF	3,663	20,000	(23,663)	0
Builders Registration Board Levy	6,232	22,000	(28,232)	0
Traffic Act	0	135,000	(135,000)	0
Relocated Housing Bonds	9,492	4,000	(9,492)	4,000
Subdivision Clearance Bonds	28,708	0	(10,000)	18,708
Cat Trap Bonds	52	1,500	(1,452)	100
Community Bus Bonds	850	3,900	(4,150)	600
Community Stall Bonds	250	200	(450)	0
Landscaping/Retaining Wall Bonds	52,441	6,000	(10,000)	48,441
Hall Hire Bonds	800	4,200	(4,000)	1,000
Standpipe Card Bonds	7,383	1,500	(1,700)	7,183
Council Built Asset Bonds	17,528	0	(10,000)	7,528
Bushfire Donations	5,367	0	0	5,367
Accommodation - Visitor Centre	60,510	345,000	(405,510)	0
South West Coach Lines	507	7,000	(7,507)	0
Other Visitor Centre	16	2,300	(2,316)	0
TransWA	1,185	16,000	(17,185)	0
Other General Trust	51,940	2,500	(37,386)	17,054
	<u>246,924</u>	<u>571,100</u>	<u>(708,043)</u>	<u>109,981</u>

19. MAJOR LAND TRANSACTIONS

It is not anticipated any major land transactions will occur in 2017/18.

20. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings or major trading undertakings will occur in 2017/18.

21. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2017/18.